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Report on Agency Dispersion
Problems and Inefficiencies in the
Metropolitan Washington Area (MWA)

1. SCOPE

This report is concerned with the [] Government-owned and rented buildings identified in the October 1973 Computer Run on Agency Metropolitan Space (CRAMS) as being outside of the Headquarters Building complex and utilized for Agency activities. Exclusions from this report are as follows:

25X9

a. Locations which, for reasons of sensitivity, cover, and security, are excluded from the CRAMS system of space management.

b. NPIC, []

c. []

These locations are not included since separate dispersed locations will continue to be required for certain sensitive functions, distinctive NPIC activities, and specialized depot-type operations.

2. BACKGROUND

a. Throughout its lifespan, the Agency has been coping in one way or another with the dispersion of its Headquarters elements and personnel resources. The related problems and inefficiencies were recognized as early as 1947 when the Agency was housed in ten locations and a single-occupancy building was sought from the Commissioner of the Public Buildings Service. Records indicate that former DCI's Vandenberg, Hillenkoeter, Smith, and Dulles as well as their deputies and staffs all devoted considerable attention to this situation and to possible solutions for consolidation in one location.

b. Despite those efforts, separate Agency locations had proliferated to a total of [] by 1953. Ten years later after occupancy of the Headquarters building was completed, Agency activities continued to be dispersed in [] other separate locations.

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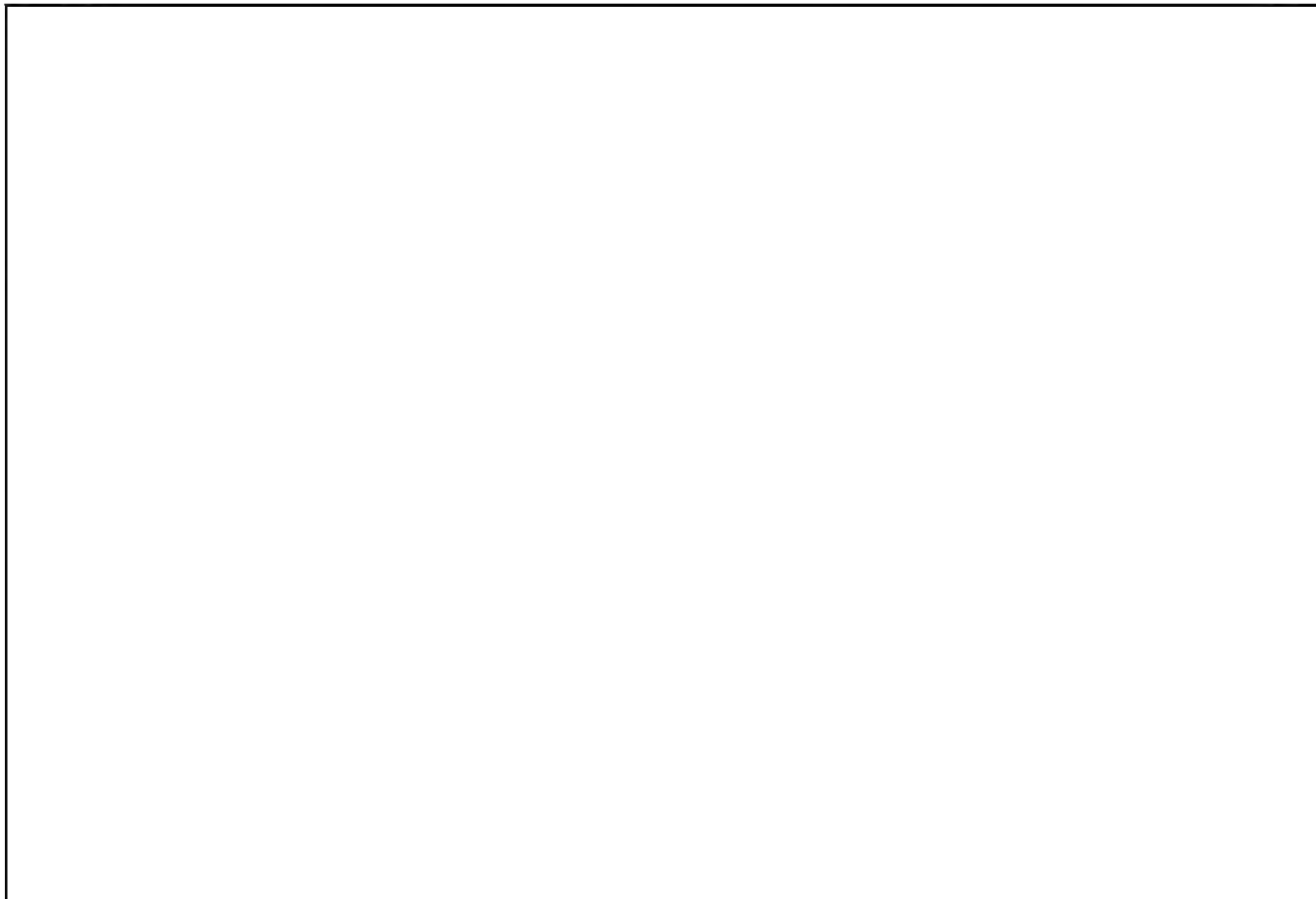
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c. At present, there are [] dispersed separate locations identified and managed under the CRAMS system. As noted, [] of these are included in this latest review and are discussed in this report.

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3. FACTS BEARING ON THE PROBLEMS AND INEFFICIENCIES



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4. DISCUSSION

a. The physical dispersion of a centrally directed Headquarters organizational structure is a multiple burden in terms of problems and inefficiencies. To improve efficiency in the face of dispersal, Agency management has adopted a series of systems and resources for providing dispersed space and maintenance, security control, communications, transport, and other support services. These services are susceptible, however, to their own unique problems and inefficiencies. As a result, their continuation

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over a period of time requires constant management attention to ensure that the services are providing effective and economical solutions to the problems which brought about their original adoption. Some of the services discussed in the following paragraphs are examples of management achievement despite dispersed conditions, while others will obviously require additional management effort.

b. Resource requirements directly attributable to dispersal at the [] locations amount to [] annually and 112 man-years. In addition, time lost in intra-Agency travel among the dispersed and Headquarters location amounts to over \$900,000 annually and 51 man-years. The following elements are involved:

	<u>Funds</u>	<u>Man-Years</u>
Standard Level User Charges (SLUC)		
Guard and Receptionist Service		94.0
Communications Systems		
Shuttle Bus Service ¹		6.9
Motor Pool Service ¹		5.4
"U-Drive" Agency Vehicle Service ¹		
Reimbursable Use of POV's and Taxis ¹		
Courier Service		5.3
Supply Deliveries		.8
Resource Requirements		112.4
¹ Time Lost in Dispersed-Location Travel		51.4
TOTALS		163.8

c. The following factors were reviewed with regard to dispersal resource requirements and their commitment:

(1). SLUC

Beginning 1 July 1974, the Agency will be required to reimburse GSA at a standard-charge rate established for each dispersed location. These charges will include

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leasing costs, GSA maintenance and overhead, and amortization contributions toward eventual replacement of leased property with Government-owned buildings. The charge for each dispersed location is shown in a new funding requirement for this Agency. It does not reflect an addition to the total cost of Government, but a transfer of funds resources responsibility to this Agency, in lieu of GSA for real property used by this Agency. Previously, GSA assumed the cost of commercially leased property as soon as such cost could be programmed in the GSA budget, usually not more than two years after the lease was consummated. The Agency has sought exemption from SLUC for the Headquarters and NPIC buildings. These locations are outside the scope of this review, however, and the eventual outcome of the exemption request will have no effect on the charges cited in this report.

(2). Guard and Receptionist Service

Guard service is provided for dispersed locations by GSA on a reimbursable basis. The cost of this service, however, is not included in SLUC and amounts to an additional [] for the [] guards provided at the [] dispersed locations (Attachment 5). Guard service will continue to be required at this level to provide the degree of security necessary for the Agency, as long as the present dispersion continues. Total dispersed-location guard service costs can be expected to fluctuate in direct proportion to future general wage increases (or decreases). Some replacement for the present dispersed guard force is a future possibility through the development and use of technological security measures. The projected scope, relative efficiency, and comparable cost of such measures were not included in this general review since this is a field of specialized technical study, research, and development. [] dispersed locations have Building Receptionists assigned as a supplementary security measure at a total cost of less than \$50,000.

(3). Communications Systems

Communications systems devoted to the [] dispersed locations consist of Black Line and Non-Published Telephone Service, KY-3 Secure Voice,

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As a result, costs average \$1.44 per mile and almost \$23 per passenger transported on the average trip of 16 miles (Attachment 8). This compares unfavorably with the Shuttle Bus Service which transports [] dispersed-location passengers annually at a total cost of \$99,000 or .91 cents average cost per passenger. Another problem bears heavily on the overall effectiveness of the Motor Pool Service in that 78 percent of the passengers are transported between locations also served by the Agency Shuttle Bus Service.

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(6). U-Drive Agency Vehicle Service

This service is not used extensively for dispersed-location travel. The service remains efficient, however, in terms of average cost per mile (.11 cents), and the average 31-mile round trip (\$3.41). These favorable cost factors exist primarily because chauffeur resources are not required. Total cost of this service attributable to dispersed locations is \$3,200 annually. The service is being utilized at the rate of 940 trips per year in dispersed-location travel (Attachment 9). The number of passengers is estimated to be only fractionally more than one per trip.

(7). Reimbursable Use of Privately Owned Vehicles and Taxis

Aside from the Shuttle Bus Service, the use of POV's has been the most popular form of dispersed-location travel. A continuing gasoline shortage and price rise may curtail the attraction to this mode of travel in the future. Unfortunately, performance data is not accumulated centrally on this mode of travel and it was evaluated on the base of a Logistics sampling of reimbursements (Attachment 10). Maximum costs per mile, however, are firmly established by regulation at .12 cents. Provided that POV mileage reimbursement will be stringently controlled to necessary official purposes, and will not be normally used between locations served by the Shuttle Bus System, this represents an economical as well as a convenient and flexible mode of dispersed-location travel. It is estimated that POV's are being used for dispersed-location travel at the rate of 62,500 trips and 1 million miles per year, with reimbursement totalling \$120,000. A record of passengers is not

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maintained, but they are estimated to be only fractionally more than one per trip. The reimbursement sampling indicated that taxis are utilized infrequently, and that trips total about 600 annually at a cost of \$1,500.

(8). Courier Service

Couriers are employed by several Agency components as well as the Office of Logistics to fulfill world-wide, domestic, and interagency needs for their services. Courier service requirements attributable to Headquarters dispersion are estimated to comprise 5.3 man-years, and \$57,000 in funds for salaries and vehicle operating expenses (Attachment 11).

(9). Supply Deliveries

Supplies delivered to or picked up from dispersed-locations consist of the full range of administrative items and equipment necessary for the efficient functioning of Agency offices. Other than classified trash, the majority of the material transported is unclassified, and consideration is being given to obtaining this service under commercial contract. Resources required for deliveries to dispersed-locations amount to .8 man-years and \$13,000 annually, of which \$8,700 is for truck driver wages and the remainder for vehicle costs (Attachment 12).

(10). Loss of Time

Resources absorbed through time lost by employees engaged in travel between the dispersed Headquarters locations is estimated to total \$930,000 and 51 man-years (Attachment 13). Funds resources absorbed through this loss amount to almost three times the \$317,000 total funds required to provide the various forms of interlocation travel (Attachments 7, 8, 9, and 10). The greatest time loss, \$604,000 and 35 man-years results from shuttle bus travel since it is used predominantly.

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(11). Employee Parking Cost Problem

The fact that some employees at dispersed locations must pay for parking their POV's has been a matter of detailed study, both recently and during the past several years. This is of direct interest to the employees affected, and of management interest from the standpoint that it is an inequity and has a bearing on employee morale. The employee parking cost problem, however, does not represent a dispersion inefficiency in terms of requiring a continuing non-productive commitment of Agency resources. Further analysis of the previous study results was, therefore, not conducted as part of this review.

(12). Office Moves

The relocation of offices, including reconfiguration and remodeling of space and moving partitions and office equipment is not considered directly attributable to dispersion. Such repositioning effort is carried out on a continuing basis in all locations, including the Headquarters building, and results primarily from management decisions concerning functional changes and realignment.

(13). Motor Vehicle Maintenance Facility

The resource requirements, problems, and inefficiencies involved in driving vehicles to the [redacted] Garage location for maintenance were not included in this review. The new garage being constructed at the Headquarters compound is scheduled for completion in April 1974. Occupancy of the new garage will eliminate the problems and inefficiencies which stem from the present dispersal of this facility.

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(14). Energy Loss Due to Dispersion

The services described in subparagraphs 4c(4) through (9) above consume critical energy (fuel) resources. It is estimated that the following amounts are attributable to dispersion:

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<u>Service</u>	<u>Fuel Gallons Per Year</u>	<u>Cost*</u>	<u>Attachment</u>
Shuttle Bus	21,000	\$ 4,750	7
Motor Pool	5,300	1,200	8
U-Drive	2,400	550	9
Use of POV's	83,300	37,500	10
Courier	3,000	700	11
Supply Deliveries	<u>3,350</u>	<u>750</u>	12
Total	118,350	\$45,450	

*Costs are escalating rapidly. These are estimated on the basis of 1 December 1973 prices as follows:

.2260 cents per gallon for Agency vehicle fuel.
.45 cents average per gallon for POV fuel.

5. CONCLUSIONS

a. Elimination of one or more of the dispersed locations will result in a substantial reduction of resource requirements. Such reduction will be primarily in funds required to reimburse GSA for Agency-dispersed space costs and the security guard service (Attachments 4 and 5).

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b. Stringent controls of reimbursed POV travel, accompanied by measurement, data should be established and reviewed periodically by management to assure that this mode of travel to dispersed locations and other points is necessary and conducted efficiently, e.g., pooled.

c. The efficiency of chauffeured motor pool service to dispersed locations and other points should be either improved in terms of cost per passenger and mile, or the service eliminated entirely in favor of Shuttle Bus Service, Agency U-Drive Service, or reimbursed POV travel.


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6. RECOMMENDATIONS

That management objectives aimed toward eliminating dispersed locations and achieving related efficiency improvements be established and pursued in the future by each of the Directors involved. Further, that a study group or task force, to include as members representatives from each of the Directorates so involved, be established to ensure coordination and complete uniformity of efforts to achieve the objectives.

/s/ 28 Dec 73


Plans and Programs Staff, OL

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